

Meeting Minutes - Draft

Appendix D: Meeting Minutes

The NSLDS team conducted focus groups with members of FSA to discuss NSLDS reengineering ideas and receive input on these conceptual ideas, as well as hear ways in which they believe NSLDS could be improved. Approximately 50 people attended these meetings. Each meeting lasted between one and two hours. The key points from these meeting are highlighted at the beginning of each focus group summary followed by the detailed meeting minutes.

Focus group meetings were held with representatives from the following groups:

- Financial Partners Channel – Partner Servicers (3/11/02)
- Ombudsman (3/13/02)
- CIO (3/14/02)
- Analysis (3/15/02)
- Students – Student Credit Management (3/15/02)
- Schools – Case Management & Oversight, Title IV Delivery (3/15/02)
- CFO (3/19/02)
- Students – Application Processing (3/22/02)
- CIO – FSA NSLDS Team (4/03/02)

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Financial Partners
Partner Services

Attendees:

Linda Elrod- FSA
Roberta Russo- FSA
Ben Chiu - FSA

John Zolldan – Accenture
Nate Brown – Accenture

Date: 3/11/02

Time: 10:00 AM

Key Points:

1. There are a variety of data integrity issues encountered during a program review, for example:
 - The underlying loans of a consolidation, those paid through the act of consolidation, are not properly closed in the NSLDS, GA, or Lender/Servicer system. They are correctly reflected in one system and not others, making reconciliation difficult and time consuming.
 - Reconciliation errors between Lender/Servicer and GA systems cause the reflection of incorrect statuses for FFEL loans in NSLDS (e.g., loans actually paid in full still reflect an open status)
 - Loan data (other than status) does not match between the Lender/Servicer system, GA system, and NSLDS (e.g., cancellations remain reflected as loans guaranteed and either awaiting disbursement or already disbursed)
 - Older loans (10+ years old) have incomplete information and historical records at the Lender/Servicer, GA and ultimately NSLDS are not accurate or complete. Reconciliation and resolution of issues with these older loans is very difficult particularly when the loan holder cannot be located.
2. In the normal course of business, ad hoc queries of NSLDS are necessary. These manual ad hoc queries can be time consuming to generate and execute.
3. The correct loan holder information is not known in a timely manner when loans are transferred from one holder to another.
4. There are small lenders that do not provide loan data to FSA (through their GA).
5. There are small lenders that submit loan data in a paper format because they do not have the capability to file electronically via the Internet.
6. There are concerns that adding a data integrator as another layer of data exchange will also add another layer of reconciliation and review, introducing possible additional errors.

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Additional Notes:

1. One of the roles of the FP channel is to review lenders and GAs in order to monitor the financial integrity of the Title IV Aid program participants. Depending on the portfolio size of the institution in question, program reviewers will review the complete loan portfolio for smaller institutions or a subset of loans (i.e. sample) for larger lenders and GAs. One program reviewer will review approximately 20-30 loans per large lender. The Western Region conducted approximately 40 lender/secondary market/servicer reviews for fiscal year 2001.
2. The lender review process includes pulling the Form 799 data, NSLDS data, and where possible, GA data regarding the subject lender for the period of review. This data is then reconciled to see if data is valid across all platforms. Only certain fields on a loan are reviewed (e.g. loan holder, loan status, amount guaranteed, and outstanding principal balance – not a complete list). The lender review process has changed over the past couple of years due to the increase of loan servicers reporting/processing electronically and the meshing of review activities with other FP activities.
3. Historical data within NSLDS has data integrity problems, especially data 10 –15 years old.
 - It was suggested that historical data, for which there have been no recent updates or inquiries, be given a status code reflecting the incomplete nature of the data and essentially marking the data / loan as closed. This status code serves as a way to identify data that is stagnant and likely to never receive formal closure.
 - As a general rule, data submitted by GAs who have a secondary market affiliation is more accurate and current than data submitted by those who do not have this affiliation.
4. Querying and reporting processes are inefficient:
 - Execution time of most queries is 1-2 hours, but can last as long as overnight. Once executed, more time is spent pulling the results from the mainframe dataset, formatting, and editing the data into a useful report format.
 - When the report cannot be generated on-line the following steps occur:
 - Query is executed through use of a mainframe query tool (QMF).
 - Data is received in a flat file.
 - Data must be converted to another application, such as MS Excel.
 - Data may need additional formatting based on user request.
 - There is a file download limit size from NSLDS. These download limits are not always known.
 - The query tool is not user friendly (user needs to be familiar with querying language).
 - Active participation is needed from the NSLDS contractor to generate ad-hoc reports. It can take up to four weeks to receive these results.
 - Reporting is not real-time. Reports are generated up to a month in advance of reviewing lenders and GAs.
 - GAs also contact program reviewers for NSLDS reports when conducting their own lender reviews.

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5. In reaction to the proposed change in how FFEL loan data would be submitted to FSA – detail loan information is sent from the lender/servicer directly to FSA on a monthly basis rather than through the GAs quarterly who pass it on to FSA monthly:
 - Lenders would like to be paid promptly on submission of loan level data. Allowing lenders to directly submit loan detail data to FSA would satisfy this requirement.
 - Change in submission from quarterly to monthly could necessitate a change in the mechanism used to calculate fee payments. Currently the calculation for the average daily balance for lenders is submitted for a quarterly time period (average daily balance for the quarter), versus monthly (average daily balance for the month).
 - Submitting loan level data directly to FSA might eliminate the process of lenders submitting a Form 799. It would also remove a layer of reconciliation that may cause data integrity and timeliness issues.
6. The current process of updating loan status and outstanding balance information requires the GA to feed information to FSA on a monthly basis. Suggest that a process similar to the one used to generate a SSCR could be used. The data would be pushed from NSLDS to the lender and then verified by the lender.
7. Introducing another collection point for data, the data integrator, may add to reconciliation difficulties already inherent in the existing data flow structure.

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Ombudsman

Attendees:

Debra Wiley- FSA
Melissa Lewis - FSA
Corwin Jennings – FSA

John Zolldan – Accenture
Nate Brown – Accenture
Allison Webster-Accenture
Mike Fillinich – FSA

Date: 3/13/02

Time: 3:00 PM

Key Points:

1. The process of finding a loan in NSLDS can be difficult due to the following factors:
 - There is no single unique loan ID number.
 - Three identifiers (i.e. SSN, last name, and date of birth) must be used when searching for a loan.
 - When a school closes and its servicer does not transfer the loan to ED or continue to service the loan, the school's Perkins loans become very difficult to manage and ED cannot make updates.
 - HEAL loans do not have a unique identifier.
2. The tracking of the loan/borrower history in NSLDS should be improved.
 - The date on which a loan record was last updated is not provided.
 - When loans are consolidated, there is no positive loan ID association maintained in NSLDS between the underlying loans and the consolidated loan. As a result, there is no positive confirmation of the loans included in the consolidation loan reflected in NSLDS.
 - The enrollment history of a student could be made clearer by having to-from dates.
 - Only one enrollment status can be assigned to a student for one time period, however a student could be enrolled in multiple schools simultaneously.
 - The dependency status of the student should be tracked. Knowing this status will simplify the process of determining if a student has already received the maximum loan amount for which he/she is eligible.
3. The current process for updating inaccurate NSLDS data is cumbersome; a more efficient and timely quality assurance (QA) method to request updates is needed.
 - When unscheduled data manipulations are needed, a SPUI request must be filed with the NSLDS contractor whose response, due to the QA process, could take as long as a couple of months.
 - Once the requested data change is made in NSLDS, it can be overwritten by future data feeds from data providers.

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Additional Notes:

1. The majority of NSLDS's data integrity issues are found in the data that is 10-15 years old. As much as half of the data in NSLDS originates before 10/1/89. This data was moved into NSLDS using a historical product, known as Tape Dump.
2. A single unique loan ID number is needed. When loans are consolidated, there is currently no way to tie the underlying loans and their loan status to the consolidated loan. NSLDS could either capture and store this identifier or be told where to look for it in a source system.
3. Loan records should be searchable by only the SSN identifier, instead of three identifiers (i.e. SSN, last name, and date of birth). In cases where data is incomplete, searching the records using these identifiers yields few records and the sought loan is not returned in the query results.
4. Ombudsman does not have unique requirements for NDSLS. If NSLDS is "fixed" from others' perspectives, then Ombudsman's needs will be addressed.
5. In response to the FP Data Feed Reengineering concept, the following comments were made:
 - The 799 data submitted by the lenders and servicers should be reconciled against the sum of the detailed loan information provided to NSLDS by the GAs.
 - NSLDS's reputation regarding data integrity must be considered when requesting entities, such as GAs, to receive and rely on data from NSLDS, instead of data received directly from the lenders and servicers.
 - Selling the GAs on the FP Data Feed Reengineering concept will be difficult as there is little incentive for them to want to change to receive the loan details from NSLDS instead of the servicers/lenders.
 - Another option is to change the 799 data feed process is: Send the 799 data and loan details to FMS, FMS then passes the detailed data on to NSLDS.
6. In response to the Internal FSA Direct Access concept, the following comments were made:
 - The Direct Access idea works best when used in conjunction with the FP Data Feed Reengineering concept. Both options should be pursued.
 - Both FSA and the people who maintain and support NSLDS should accept responsibility for its data, even though the data accuracy is dependent on the data providers. Since FSA uses the data as a tool to measure the ability for entities to participate, it must assume responsibility for its accuracy.
7. In response to the concept of the Clearinghouse being used to provide all enrollment history, the following comment was made:
 - The idea is sound, but it will be difficult to convince non-Clearinghouse members to agree to use the Clearinghouse for validating students' enrollment status.

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8. In 1994, 100 of the largest lenders were approached with the idea of submitting FFEL loan detail information directly to NSLDS, instead of through the GAs. At that time, the lenders were uncertain about how the new direct loan market would affect their market and consequently were not willing to re-work their existing reporting systems to support this model.

The following list describes some of the reservations that specific entities had with the process of submitting loan detail information directly to NSLDS:

- Within ED – risk of established program offices being made irrelevant; thus, there employees subject to job loss
 - Financial services industry – risk of profit reduction as a result of not being intermediaries for transfer of financial and non-financial data to GAs
 - GAs – risk of being made irrelevant if lenders could contact the Department directly and provide needed financial data enabling ED to meet its fiduciary responsibilities in administering the Title IV aid programs
 - Members of Congress – risk of potential significant bank re-alignments; thus, job elimination in their Districts
 - Regulators – risk for potential for fraud as the regulator of Title IV aid programs and funds would be auditing itself
9. NSLDS should capture the date on which a loan record was last updated. NSLDS should post the date when the loan record was last updated on the user interface. This would eliminate having to request this information from the mainframe dataset.
10. The frequency of FFEL loan reporting needs to increase. Currently, the lenders report quarterly, while the GAs report monthly. This creates lag time between submission of updates and correction and the reflection of changes in NSLDS.
11. The aggregation process for loans, when determining loan limits, could be simplified by capturing the dependency status of the borrower in NSLDS.
12. The Customer Care Unit should be kept. This unit provides an avenue to update loans only when a student's eligibility is affected and there is no active data provider. Direct updates to loan information should be allowed for other circumstances.
13. The date on which a loan record was last updated is not provided. NSLDS should create a loan history record, similar to a college transcript, where all loans are listed for a student and the changes to the student's loan record tracked.

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14. The AE status code should be removed. This will allow FSA/other entities to edit a Perkins loan after a school is closed. When a school closes, it is possible that the school's servicer does not continue to service the loan or properly transfer it to ED. Because ED does not have ownership of the loan, and the servicer is no longer assuming ownership of the loan, no changes can be made to it.
15. HEAL loans do not have a unique identifier. In NSLDS they appear as large FFEL unsubsidized loans and have no indication that they are HEAL-related loans.
16. The GA Reporting schedule should be posted on the user interface. This will assist in determining when the last update was made to the loan record and when the next update will occur.
17. NSLDS should accept enrollment data from multiple sources and capture the enrollment history for a borrower. Today if a student is attending multiple schools simultaneously, the enrollment status at only one school can be captured in NSLDS. With the increasing number of students who are distance learners, NSLDS needs to have the ability to track multiple enrollment statuses of a student attending multiple schools for the same time period. The school consortium concept could be used to provide this flexibility.
18. NSLDS does not currently provide a way for schools to tell NSLDS about additional loans of the student.
19. A quicker way to update inaccurate NSLDS data should be found. Currently, when unscheduled data manipulations are needed, a SPUFI request must be filed with the NSLDS contractor. After a quality assurance (QA) process has been completed, including necessary reviews and authorizations, NSLDS is updated. Once the requested data change is made in NSLDS, it is can be overwritten by future data feeds from data providers.

This quality assurance process needs to be automated. When an update is needed, NSLDS should confirm the change with the source system and then update the information based on receiving this confirmation. This automated confirmation process will create a paperless audit trail, replacing the amount of forms and signatures currently required in the QA process.

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Analysis

Attendees:

Dottie Kingsley - FSA	Harry Feely - FSA
Amanda Wingo - FSA (INDUS Corporation)	John Zolldan - Accenture
	Shyam Pai - Accenture
	Sunil Malhotra - Accenture

Date: 3/15/02

Time: 9:00 AM

Key Points:

1. Data in NSLDS is not accurate and has many inconsistencies and exceptions. This requires a significant learning curve, extensive data knowledge and V&V. This may also require the Program Analysis group to go to each of the source systems, obtain data, judge its quality, and manually assemble reports.
2. The Program Analysis group would like a single query tool to help access data in multiple systems and various formats. Queries, unlike the current environment, should yield results quickly.
3. NSLDS does not contain the most current data. Program Analysis would like data updated weekly, but believes the frequency should be evaluated based on cost-benefits analysis.
4. There are gaps in the historical data within NSLDS. There is limited metadata to help understand the data's currency.
5. NSLDS has history file problems, i.e. data is sometimes lost when rewritten from cycle to cycle.

Additional Notes:

1. The Program Analysis group performs the following major functions:
 - Quantitative analysis of program data
 - Example: Aggregate and analyze data across channel and Enterprise unit boundaries.
 - Research
 - Example: Identify and summarize research and best practices data from throughout the Department and private industry sources.
 - Impact analysis
 - Example: Project the impact of proposed program and process changes.

* Refer to the Program Analysis document provided by Dottie Kingsley for specific Program Analysis responsibilities.

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2. The Program Analysis group supports a variety of user groups with diverse requests. This requires the use of executing complex ad-hoc queries. This also requires the ability to access data from various source systems, as well the consolidation/integration of data from multiple systems.
3. A concern for the Program Analysis group is a lack of accurate data. This affects the ability of team members to perform their tasks effectively and efficiently. The following list describes various problems that are currently encountered:
 - Missing historical data. This is causing the Program Analysis group to develop exception queries, which are manual intensive and time-consuming. This is very costly for the group.
 - Varying data feed frequency into NSLDS results in inconsistent data comparisons.
 - Lack of metadata.
 - Access to data requires the extensive knowledge of NSLDS data organizational codes and exceptions, ability to write advanced SQL code, and the ability to use query batch tool.
 - Data must be sanitized for redundant and inaccurate data.
 - Results received from executing queries are not logically categorized. This requires the use of other tools such as SAS or MS Access to make changes to the format of the report.
4. The Program Analysis group prefers a reporting tool that allows them to do the following:
 - Access data from multiple source systems through a single point of entry.
 - Provide query results promptly for multi-joined queries.
5. The Program Analysis group prefers data they are accessing to be as current as possible, given cost benefits and the frequency of data updates to NSLDS. Data that is old could jeopardize the quality of reports, analysis, and policies.
6. There is also concern regarding how data will be accessed to complete their tasks.

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CIO

Attendees:

Charlie Coleman -FSA
Karen Hyrkas - FSA
Arva Thomas - FSA
Cheryl Queen - FSA
Tom Greene - FSA
Carol Seifert - FSA
Larry Parker - FSA
Pam Eliadis - FSA

Harry Feely – FSA
Mike Fillinich – FSA
John Zolldan – Accenture
Nate Brown – Accenture
Shyam Pai – Accenture
Sunil Malhotra – Accenture

Date: 3/14/02

Time: 11:00 AM

Key Points:

1. Statutory requirements may allow for not more frequent than quarterly interest and subsidy payments to lenders. This needs to be researched with Program Development and OPE.
2. Specific loan data (e.g. guarantee date), typically stored and received by the GAs, must be merged with the loan details provided by the lender.
3. In order to maintain a high level of customer service, schools need the ability to submit Title IV student enrollment information online.
4. In order to calculate an average daily balance, one must have the balance of the loan every day. If FSA is to pay lenders based on NSLDS data, FSA must either collect the daily balance on each loan or require the lender to provide the average daily balance to NSLDS.
5. Service Level Agreements (SLAs) will need to be created between FSA and the Clearinghouse.
6. Data matching agreements may need to be created between FSA and lenders/servicers to exchange loan information. This will need to be researched.
7. The student loan industry is very volatile. Loans are sold frequently between lenders. This may result in the appearance of duplicate records within NSLDS during the transitory period unless the design accounts for this.

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Additional Notes:

1. The authorizing statute for NSLDS directs the Secretary to establish a national database of Title IV loans. It does not include other loans (e.g. Title VII). In the past, the statute has been interpreted as not allowing Education to collect data on other loan programs. NSLDS has been in production since 1994. The size of the database is approaching approximately 2 TB.
2. In reference to FP Data Feed Reengineering, the following feedback was provided:
 - It is possible that based on statutory requirements, FSA may only be able to remit subsidy and interest payments to lenders on a quarterly basis. This may limit the incentive for lenders to submit loan level data more frequently (e.g. daily) because it will not result in an increase in the amount of interest payments.
 - The delta file that GAs submit to NSLDS on a monthly basis is a composite of lender loan level data and supplementary data that GAs provide related to each loan (e.g. guarantee date). NSLDS will need access to this supplementary data if lenders submit their loan detail directly to FSA. The following suggestions were provided:
 - Lender receives supplementary information from the GA. The lender will be responsible for matching the supplementary information with the loan and then submitting the loan level data to NSLDS.
 - NSLDS receives supplementary information from the GA. NSLDS will be responsible for matching the supplementary information with the loan data submitted by lenders.
 - GAs may protest that AMF calculations and payments will be made based on data that they did not provide to FSA (i.e. loss of control).
 - Open Item: Whom will GAs notify if a payment is incorrect? A suggestion was made that GAs should notify the lenders to resolve the problem.
 - GAs have contracts in place with lenders/servicers to receive FFEL loan level data. In order to get data directly from the source, FSA would need to create contracts with each lender/servicer.
 - Special allowance rates change every quarter. If lenders are required to calculate the special allowance owed them based on the average daily balance, FSA will need to address the current distribution of special allowance rates to each lender/servicer.
3. In reference to the Outsourced Enrollment Tracking concept, the following feedback was provided:
 - The NSC, located in Herndon (VA), is a servicer for schools. It performs multiple functions including enrollment verification, degree verification, and tax support.
 - There are over 7000 schools. The Clearinghouse currently services 2600 member schools, representing approximately 79% of all Title IV aid borrowers.
 - Schools are required to submit student enrollment information twice a year or if the enrollment status for a student changes.
 - Member schools provide student roster information to the NSC between 10-12 times per year. Some member schools provide student roster information more frequently.

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- Non-member schools provide student roster information to NSLDS through the following options at least 5-6 times per year:
 - Online
 - School Software
 - EDEExpress
 - SSCR Servicer
 - Schools containing a small Title IV student population are content with submitting enrollment information online. This submission process will need to be maintained if enrollment information is transferred to the Clearinghouse for non-member schools.
 - GAs that are members of the Clearinghouse receive enrollment information from both NSLDS and the Clearinghouse.
 - It means changing the “address” to submit Title IV student enrollment information from FSA to the Clearinghouse.
 - If this option is pursued, SLAs will need to be developed between the Clearinghouse and FSA. For example, FSA will need to have access to the enrollment data if the Clearinghouse goes out of business (i.e. record keeping).
 - FSA only pays fees to the Clearinghouse for access to enrollment information for direct loan recipients. Currently, schools do not pay fees to the Clearinghouse for maintaining their student enrollment information. This cost is subsidized through membership fees paid by lenders and servicers. If/when this change occurs the cash flow received by the Clearinghouse from the GA/lender community must be considered – will this fee still be “reasonable” now that the data is all in one source.
 - A cost analysis needs to be conducted to determine if outsourcing the enrollment information, in a manner different than today, would be beneficial to FSA.
4. In reference to the Internal FSA Direct Access concept, the following feedback was provided:
- COD currently feeds data to DLSS through the FSA bus.
 - NSLDS currently receives data from DLSS weekly.
 - The following open items will be resolved during the NSLDS Reengineering design phase:
 - Open Item: What data format strategy will be used for exchanging information?
 - Open Item: What level of history will DLSS store?
 - Open Item: Will data be transferred from DLSS through an even driven transaction or will NSLDS directly access the information?
5. In reference to replatforming NSLDS (Data Warehouse), the following feedback was provided:
- New tools would be helpful, but the underlying data is not always correct.
 - Students are using NSLDS to log on and see their loan information. The demands of this capability are that the data should be current.
 - Suggestion to keep the existing platform and fix the data feeds.
 - By moving toward an overall warehouse approach with Marts feeding from the warehouse, there will be data mart rework (e.g., FP, CMDM).

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Students
Student Credit Management

Attendees:

Gary Hopkins – FSA
Dan Hayward – FSA
Andy Cho – FSA
Sybil Phillips – FSA
Denise Leifeste – FSA
Gregory Plenty – FSA

Harry Feely – FSA
Mike Fillinich – FSA
John Zolldan – Accenture
Martin Renwick – Accenture
Nate Brown – Accenture
Allison Webster-Accenture

Date: 3/15/02

Time: 10:00 AM

Key Points:

1. The process of reporting enrollment status needs to be improved but using the Clearinghouse might not be the best option.
 - Forcing the schools that are not members of the Clearinghouse to switch and use the Clearinghouse for processing enrollment status will be a challenge, especially due to the privacy concerns and the Clearinghouse's close affiliation with Sallie Mae.
 - The costs of the enrollment status processing will be indirectly distributed to FSA and other FFEL lenders.
 - A cost/benefit analysis must be performed to determine potential cost savings.
2. NSLDS needs to have a way to tie underlying loans to a consolidated loan. When reviewing a consolidated loan, it should be possible to determine the amount and status of all underlying loans.
3. Using the EAI bus to process information requests could result in the following occurrences:
 - The performance of the source systems might decrease, due to the increased demand of receiving individual queries and returning real-time information. The stability of the current data warehouses and the platforms of these source systems to handle an increase in data volume is questionable.
 - The data integrity may not improve by going to the "source," since lenders/servicers can also provide bad data.
 - The cost of maintaining the source systems will increase as they absorb costs currently allocated to NSLDS. Using a file and tape process in batch mode would be cheaper than supporting daily hits using the EAI bus.
 - The source systems would be held to a higher quality standard. FSA's systems already receive microscopic attention.

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Additional Notes:

1. NSLDS needs to have a way to tie underlying loans to a consolidated loan. When reviewing a consolidated loan, it should be possible to determine the amount and status of the underlying loans.
2. In response to the Internal FSA Direct Access concept, the following comments were made:
 - The performance impact on the source systems, due to the increased demand of receiving individual queries and returning real-time information, should be analyzed. The current data warehouses and the platforms for these source systems might not be stable enough to handle an increase in data storage and processing.
 - Some of the bad data within NSLDS originates at the lenders/servicers, so going to the source (i.e. the lenders/servicers) will not help.
 - The source systems will have to absorb costs currently allocated to NSLDS.
 - Using a file and tape process in batch mode would be cheaper than supporting daily hits using the EAI bus.
 - The source systems would be held to a higher quality standard. FSA's systems already receive microscopic attention. The data provided by the FFEL community should receive similar scrutiny, since a lot of data integrity issues reside with FFEL data.
 - Until NSLDS is the feeder of all FSA data marts, CMDM should not receive transactional feed updates from NSLDS. CMDM should continue to receive detailed updates from FMS.
3. In response to the concept of the Clearinghouse being used to provide all enrollment history, the following comments were made:
 - The process of reporting enrollment status needs to be improved.
 - Forcing the schools that are not members of the Clearinghouse to switch and use the Clearinghouse for processing enrollment status will be a challenge.
 - The Clearinghouse is closely associated with Sallie Mae. Many schools do not want this association with Sallie Mae.
 - Even though the enrollment status processing provided by the Clearinghouse is free to the schools, the costs are indirectly distributed to FSA and other FFEL lenders.
 - On previous initiatives, the Clearinghouse has insisted on having a separate data feed directly into an FSA system (e.g. DLSS).
 - Cost controls should be set.
 - The result should be a single feed from the Clearinghouse to NSLDS
 - Receiving accurate enrollment history by NSLDS will improve the reporting of cohort default rates.
4. In response to the FP Data Feed Reengineering concept, the following comments were made:
 - NSLDS would have to be re-engineered to handle approximately 7,000 data feeds from the lenders/servicers, instead of the current number of 36 from the GAs.
 - The GAs would be taken out of the data feed structure.

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- The proposed monthly feed from the lenders/servicers could be made even more regular, perhaps even daily or weekly.
 - The lender/servicer processes/systems and FMS would also need improvements to support the FP Data Feed Reengineering concept.
5. The FSA/Modernization Partner shared-in-savings deals are based on a conceptual design. As a result, when the detail design and development occurs, change control requests must be made. These requests are costly to FSA.
 6. The objectives and ideas of NSLDS Reengineering are worthwhile, but balancing the initiatives already underway that impact the Student Credit Management area will be very difficult from a time and resource perspective.

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Schools

Attendees:

Geneva Coombs – FSA
Naomi Randolph – FSA
Paul Hill – FSA
Patricia Trubia – FSA
Kriste Jordan - FSA
Jane Holman - FSA

Mike Fillinich – FSA
John Zolldan – Accenture
Nate Brown – Accenture
Allison Webster-Accenture

Date: 3/15/02

Time: 2:00 PM

Key Points:

1. Users of NSLDS do not always receive timely and specific data when making decisions or calculations. As a result, the accuracy of these decisions or calculations can be compromised.
 - Schools receive more data than is necessary via the ISIR. This happens in part because the student lifecycle has not been analyzed when designing systems to determine specific information needs and at exactly which point in the process this information is needed.
 - The quarterly timeframe for submitting loan details by lenders/servicers explains the reason why all loans are not included when calculating a draft or official cohort default rate.
 - There is only integration of FFEL and direct loan (not Perkins) portfolios when calculating the cohort default rate.
2. Poor data integrity in NSLDS results from the following reasons:
 - Loan updates do not reach NSLDS because of load edits in the data feed process.
 - Perkins loans are not sent from the servicers to NSLDS.
 - Data submitted to NSLDS has missing or mismatched loan identifiers.
 - Schools are requested to keep their own files/databases and NSLDS accurate but are only audited to ensure the accuracy of their own records. These source databases and NSLDS are not in synch.
3. The proposed FP Data Feed Reengineering concepts are flawed.
 - The GAs bridge the gap between the loan identifiers in the lenders'/servicers' systems and the loan identifiers used in NSLDS. Until each loan has a unique identifier, the GAs need to be included in the submission process of the loan details from lenders/servicers.
 - There is not enough data in NSLDS to calculate 799-summary and payment information.
 - A FFEL data integrator would add another layer to the reconciliation process and would not improve the process.
 - Ideally, the FFEL data should pass directly from the lenders/servicers to NSLDS.

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4. The Clearinghouse may not be the best candidate to assume responsibility for determining student enrollment.
 - In past efforts to involve the Clearinghouse in FSA initiatives, the Clearinghouse has resisted reengineering recommendations for improvement.
 - The Clearinghouse's enrollment records only use two enrollment statuses: enrolled or withdrawn. When the school does not report that a student is enrolled after the expected graduation date, the status of withdrawn is automatically applied to this student. The Clearinghouse does not verify this enrollment status with the school.
 - The Clearinghouse has not proven that it handles enrollment status processing well. The majority of the enrollment data in NSLDS has been received from the Clearinghouse, but FSA receives many questions from lenders about the accuracy of this enrollment data.
 - A cost benefit analysis needs to be performed.
5. Additional consolidation opportunities exist in loan processing and should be explored.
 - Schools should receive consolidated (FFEL/DL) delinquency reports on a regular basis so that they can better manage their portfolio to prevent defaults. If a school participates in both the FFEL program (and has multiple GAs), and the DL program, then it receives multiple delinquency reports.

Additional Notes:

1. In response to the Internal FSA Direct Access concept, the following comments were made:
 - A transition period will be essential when converting from the current process of using NSLDS for all data requests to the process of Direct Access
 - More communication is needed as FSA systems change. Single system changes are not widely communicated and have affects on other FSA systems.
 - Schools receive more data than is necessary via the ISIR. This happens in part because the student lifecycle has not been analyzed when designing systems to determine specific information needs and at exactly which point in the process this information is needed.
 - A blanket approach of sending information is currently used to cover all conceivable data needs for schools across an expansive period of time. The student lifecycle includes the following phases: application, packaging, award, disbursement, and repayment.
 - Business process reengineering should begin with CPS because this system is used in the first phase of the student lifecycle.
2. In response to the concept of the Clearinghouse being used to provide all enrollment history, the following comments were made:
 - In past efforts to involve the Clearinghouse in FSA initiatives, such as enrollment verification for foreign schools, the Clearinghouse has been a difficult working partner. The Clearinghouse has resisted reengineering recommendations for improvement.
 - A Cost benefit analysis needs to be performed to determine if the Clearinghouse can produce the anticipated cost savings.

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- The Clearinghouse's enrollment records only use two enrollment statuses: enrolled or withdrawn. When the school does not report that a student is enrolled after the expected graduation date, the status of withdrawn is automatically applied to this student. The Clearinghouse does not verify this enrollment status with the school.
 - Any contract with the Clearinghouse for processing enrollment status must protect the privacy of the student, ensure the data would not be used for commercial purposes, and protect the enrollment data in the event of the closing of the Clearinghouse.
 - The Clearinghouse has not proven that it handles enrollment status processing well. The majority of the enrollment data in NSLDS has been received from the Clearinghouse, but FSA receives many questions from lenders about the accuracy of this enrollment data.
 - The Clearinghouse has an incentive-based contract through which it receives more money as the accuracy of the provided data increases, but the incentives are not strong enough.
 - Enrollment status processing could be outsourced to the GAs instead of the Clearinghouse.
3. In response to the FP Data Feed Reengineering concept, the following comments were made:
- The quarterly submission of loan details explains how loans might not be included when calculating a cohort default rate. For example, if a loan goes into default shortly after the last quarterly submission, a couple of months might pass before the data is submitted for the first time. If the loan details are returned to the lender/servicer after they have been submitted, due to errors in the data, then a couple more months might pass before the data is re-submitted and accepted by the GAs and then passed to NSLDS. Until the data is received by NSLDS, it will not be included in the calculation of the cohort default rate.
 - Loan updates never reach NSLDS because of load edits in the data feed process.
 - The GAs need to be included in the submission process of the loan details from the lenders/servicers until a loan identifier is used in NSLDS. The GAs bridge the gap between the loan identifiers in the lenders'/servicers' systems and the loan identifiers used in NSLDS. The process of how Sallie Mae bridges the gap when they buy portfolios from numerous lenders should be explored.
 - A filter used to sift good data from bad data as it is sent from the lenders/servicers to the GAs must use NSLDS data to determine good from bad data.
 - There is not enough data in NSLDS alone to calculate 799-summary and payment information.
 - A data integrator would add another layer of data exchange and reconciliation to the process.
4. The following comments were made regarding servicers for Perkins loan information:
- There are 10-15 servicers serving 80% of schools.
 - ED provides Data Prep for schools.
 - Servicers are reporting but there are missing loan identifiers in their submissions.

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- COD is encouraging schools to report work-study, Perkins, and FSEOG grant/loan information. COD then calculates and returns a summary statement of this information to the school, which then is used by the school to calculate FISAP totals.
 - Not all Perkins loans are in NSLDS. There should be a reconciliation performed between the FISAP data and NSLDS.
5. There are other opportunities for consolidation other than with the enrollment status process:
- There is no integration of FFEL and direct loan portfolios other than when calculating the cohort default rate.
 - If a school participates in both FFEL (and has multiple GAs) and the DL program, then it receives multiple delinquency reports. Schools should receive consolidated delinquency reports on a regular basis.
 - Additional consolidation opportunities exist and should be identified.
6. The schools should use NSLDS to house their loan data.
- Schools must currently keep their data accurate in their own databases/files, as well as send updates to NSLDS.
 - If NSLDS were the official source of a schools' loan data, then schools would feel an obligation to keep the data in NSLDS accurate since this data would be used during audit reviews.
7. Case management teams need all student level data to perform trend analysis, identify data outliers, forecasting, etc.
- It is important that the teams get the most current data available and for that data to be accurate.
 - The fields originally included in the NSLDS system are still necessary. The Case Management teams need those fields plus any fields in CPS/COD that include student level data to be available for oversight purposes.
 - ED should also capture all the enrollment fields so that it can accurately identify completion rates and withdrawal rates at institutions.
 - The GAO and the OIG continue to negatively comment on ED's performance regarding analysis of its own data.
 - Schools resist giving ED its own (the schools') data. For example a reviewer may go to an institution where he/she will have to ask the school to compile ISIRs and other ED data so the review can be performed. ED should have access to that data even before going out on site. Typically, ED reviews the current year and 2 prior years.

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CFO

Attendees:

Linda Paulsen - FSA
Jesus Moya – FSA
Frank Ramos Jr – FSA
Sandra Simmons - FSA
Frank Kesterman - FSA
Paul Stonner - FSA
Michelle Selvage - FSA
Ron Ackerman - FSA
Julie Bryant - FSA
Mary Grace Lintz - FSA
Mary Nelson - FSA
Spencer Sakai - FSA

Harry Feely - FSA
Mike Fillinich - FSA
John Zolldan – Accenture
Shyam Pai – Accenture
Nate Brown – Accenture
Sunil Malhotra – Accenture

Date: 3/19/02

Time: 1:00 PM

Key Points:

1. While FSA would like to receive loan level data directly from the lenders (i.e., source system), as this may reduce data integrity issues due to better control of the data, this data is not necessary to perform a “clean audit”.
2. The CFO group would like to see the following changes implemented during the NSLDS reengineering effort:
 - Collection information (defaulted loans held and serviced by the GA) from GAs should be more accurate. This will allow the CFO group to perform better reasonability checks, enhanced reporting, and more accurate budget analysis.
 - Improved tracking of consolidated loans that are delinquent but not defaulted. A suggestion was made that a data mart that stores specific GA collection information may assist in supporting this requirement. These loans also have a big impact on the calculation of CDR.
 - Standardize the frequency of the data feeds to allow for accurate “snapshot” analysis.
 - Reengineer data feed processes to eliminate reconciliation errors.
 - Form 799 should contain risk category information. This will allow for improved budgeting and distribution of funds.

Additional Notes:

1. The CFO group uses NSLDS for the following major tasks:
 - Auditing payments made to lenders– Special allowance and interest subsidy payments
 - Auditing/reasonability of payments made to GA – AMF/LPIF payments
 - Budget Service – Forecasting and execution

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2. There was concern that NSLDS II was going to provide users the same information as the FP Data Mart.
 - Open Item: Identify the scope of Phase three for the FP Data Mart.
3. The CFO group would like to streamline the frequency of data feeds into NSLDS to simplify or eliminate reconciliation issues.
4. In reference to the FP Data Feed Reengineering, the following points were discussed:
 - Lenders/Servicers provide an invoice (i.e., Form 799) to FMS on a quarterly basis containing loan summary information (assuming Lender Payment Redesign).
 - The Form 799 does not contain cohort information.
 - FSA makes Interest Subsidy and Special Allowance payments to lenders on a quarterly basis.
 - Lenders/Servicers provide loan detail information on at least a quarterly basis to GAs.
 - There are approximately 4100 active lenders.
 - There are approximately 36 servicers. These servicers provide support for approximately 3600 lenders. The remaining 500 lenders do not have servicers and perform their own servicing functions.
 - GAs derive cohort level information based on data received from lender.
 - GAs provide a delta file directly to NSLDS on a monthly basis containing non-defaulted FFEL loans and defaulted non-subrogated loan information.
 - GAs submit on a monthly basis Form 2000 data.
 - FSA makes AMF/LPIF payments to GAs on a quarterly basis.
5. Lenders are beginning to submit 799 data to FSA in a timelier manner.
6. The CFO group would like to implement the following changes:
 - Require more accurate information from GA regarding their collections on defaulted loans. The following list may be some reasons FSA is not receiving accurate collection information from GAs:
 - Data elements in the GA systems and NSLDS do not match.
 - Data in the GA systems are incorrect, resulting in inaccurate reporting to NSLDS.
 - The data fields being collected by NSLDS for these loans does not contain the necessary fields.
 - The CFO group would like to make loan default payments to GAs only after receiving the loan level details. This will allow the CFO group to perform reasonability analysis before payments are disbursed. Currently, FSA pays the GAs “on demand” (i.e., as soon as the claim is received – Form 2000). It can take up to six months to receive all of the loan data to perform a proper reasonability analysis. This would also improve reporting for auditors and mitigate some risk.
 - CFO would like to receive loan level data directly from the lenders (i.e., source system). This may reduce data integrity issues due to better control of the data. However, this data is not necessary to perform a “clean audit”.

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- Lenders may require privacy agreements with FSA to ensure that the data is only being used for trending and audit trail purposes.
 - According to OMB, risk category information is needed on the Form 799 to support credit reform requirements. Ron Ackerman is currently performing research regarding these credit reform requirements.
 - The CFO group would like to have a separate data mart, similar to CMDM, which would contain collection information submitted by GAs. This would allow for better control over the collections process. For example, the CFO group is very interested in tracking loans that are consolidated and delinquent but not defaulted.
 - The CFO group would like AMF payments to be paid only on active lender loans. Payments should not be made if loans have not been reported for over 2 consecutive quarters (6 months). Currently, payments are stopped only if loans have not been reported in four years. This is really a FSA policy issue.
7. Trending is currently based on snapshot data accumulated at the end of a quarter.
8. The Data Integrator approach for FP Data Feed Reengineering would provide for the following benefits:
- A centralized location to receive all loan level data.
 - Accurate calculation of interest and subsidy allowance payments to lenders.
 - Accurate calculation of AMF/LPIF payments to GAs.
 - Remove the requirement for lenders/servicers to provide a Form 799. The data integrator can generate this automatically.
9. The following issues may occur if FSA generates the Form 799 for the lender:
- FSA may incur additional risk for incorrectly calculating lender payments.
 - Lenders would very likely continue to calculate their special interest and subsidy allowance payment information in addition to our calculation.
10. The following information is used for budgeting:
- Cohort level information
 - Loan type
 - Risk Category
11. Budget Analysis would like to control the distribution of funds based on risk category.
12. Data is accessed from NSLDS at least three times a year for budget purposes:
- Mid Session
 - OMB Budget
 - Financial Statements
13. There are 54 data elements that OMB considers “required” for accounting purposes. These 54 fields are listed in the NSLDS Data Quality report (final deliverable from December 2001).

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14. It was suggested that the NSLDS reengineering team also meet with John Bollinger and Dale King to further explore the issue surrounding the accuracy of GA collections information.

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Students
Application Processing

Attendees:

Jeanne Saunders – FSA
Ginger Klock – FSA
Marilyn LeBlanc – FSA
Ida Mondragon – FSA

Harry Feely – FSA
John Zolldan – Accenture
Nate Brown – Accenture
Allison Webster-Accenture

Date: 3/22/02

Time: 2:00 PM

Key Points:

1. CPS wants to process eligibility checks real-time.
 - Today NSLDS cannot provide real-time information for eligibility checks. NSLDS submits daily batch files to CPS.
 - NCS Pearson, the CPS contractor, and the Application Processing team are ready for CPS to get on the “bus.” The cost impact of using direct access should be closely monitored.
2. The overall design of NSLDS and CPS should be evaluated. Perhaps there is a more effective way to deliver the same eligibility service to the schools other than through CPS.
3. The number of schools that receive renewal FAFSA transactions each year could be reduced if CPS knew at which school a student is enrolled.
4. There are data accuracy problems in NSLDS evident at an enterprise-wide level.
 - One reason for the data accuracy problems is that it is sometimes difficult to associate the right student with the right loan data. Each FSA system uses different key identifiers, and somewhat different methods for confirming the identifiers, for a student/borrower. There should be a stable identifier or group of identifiers across FSA systems, including NSLDS, while protecting a borrower’s privacy.
 - When a school changes servicers, it is often difficult to determine whose loan identifier to use.
 - Often CPS’s updated/corrected data is overwritten by incorrect data fed from other systems.
5. The Application Processing division would like to be able to use NSLDS data when conducting studies, research, and doing analysis.
 - There is very useful data in NSLDS, but it’s either somewhat complicated to access and/or the timing of the data is problematic.
 - If FAFSA misreporting were tracked in CPS, then the correlation between aid applicants who misreport on their FAFSA and also default on their loan(s) could be calculated.

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Additional Notes:

1. An ISIR is delivered to the school(s) for each aid applicant.
 - Approximately 450,000-600,000/week FAFSA eligibility checks are processed during the peak season.
 - The Application Processing team will provide the NSLDS Re-engineering team with the specific data elements that are required in generating the ISIR and SAR. Examples of these data elements include loan status and type of loan.
 - In the process of creating the ISIR, CPS “flags” loans belonging to an applicant when the following situations exist: defaults, delinquencies, bankruptcy, discharges, overpayments, approaching loan annual/aggregate loan limits, and exceeding loan annual/aggregate loan limits.
 - CPS provides additional information to the school when generating an ISIR. This information might not directly affect an aid applicant’s eligibility but it could affect eligibility in the future. For example, loan tracking information, such as the name of the loan holder/lender, the start and end date for the loan, and the disbursement date, is provided.
 - Loan tracking is a module within EDExpress. If modifications are made to the process of tracking loans, these modifications should be coordinated with the EDExpress support team.
2. Post-screening of an applicant is scheduled immediately after completion of the pre-screen. It joins the execution of the post-screen that runs every two weeks, regardless of the applicant’s eligibility. An eligibility processing cycle lasts 18 months, which spans from January to the end of June of the following year. CPS gets a feed every two weeks from NSLDS containing data for those applicants who have a change that could affect eligibility. If an aid applicant’s/recipient’s eligibility changes during these 18 months, a new ISIR is generated and sent to the school(s).
3. The overall design of NSLDS and CPS should be evaluated. Perhaps there is a more effective way to deliver the same eligibility service to the schools other than through CPS.
 - CPS serves as a conduit between NSLDS and the schools to assist in determining the eligibility of aid applicants. The schools need more current data than NSLDS provides today.
 - When CPS delivers the data it receives from NSLDS to the schools, the schools perceived this data as “CPS data.” The Application Processing team, as a result, has to answer a lot of questions that stem from data delivered by NSLDS.
 - When generating an ISIR and SAR for an aid applicant, NSLDS data is overlaid and is not saved. If a school has a question about a generated ISIR, often the data in CPS has been changed since the ISIR was generated, resulting in additional questions.

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4. The Application Processing division would like to be able to use NSLDS data when conducting studies, research, and doing analysis.
 - There is very useful data in NSLDS, but it's either somewhat complicated to access and/or the timing of the data is problematic. For example, easy access to NSLDS data would have facilitated the IRS study/verification analysis, but merging NSLDS data with other system data used in the study was cumbersome.
 - It would be interesting to see if there is a correlation between aid applicants who misrepresent their information on their FAFSA and borrowers who default on their loans.
5. The number of renewal FAFSAs generated could be reduced if CPS knew in which school a student is enrolled.
 - Knowing in which school a student is enrolled is most problematic for renewing first-year students.
 - There could be privacy implications that renewal FAFSAs are generated and sent to schools in which the student is not enrolled.
6. In response to the Direct Access concept, the following comments were made:
 - The fetch strategy could impact the volume of ISIRs generated by the post-screening process, which could increase CPS operational costs. The impact of the fetch strategy on volume/cost can be monitored by mapping a specific data feed change to an increase of ineligible flags generated during post-screening as a result of this change (e.g. DLSS begins delivering direct loan data to NSLDS via the "bus" and as a result the number of aid applicants deemed ineligible increases during the post-screening process.)
 - NCS Pearson and the Application Processing team are ready for CPS to get on the "bus."
 - CPS would never want to fetch data from a variety of systems to support its student eligibility process. It interfaces with a variety of systems and people and does not want to track and collate data received from all these systems and people before being able to provide eligibility decisions. NSLDS should routinely pull data from its source systems and then CPS rely on this information in making its eligibility decisions.
7. CPS wants to process eligibility checks real-time.
 - Since the identification of an aid applicant must be verified, it will be a while until CPS can verify real-time the applicant's identification with other agencies (e.g. Social Security Administration, Immigration and Naturalization Service, etc.).
 - Once an aid applicant's identification has been verified, it does not need to be re-validated in most cases when a FAFSA correction is submitted. If NSLDS could provide real-time data to CPS, then the student would immediately know their eligibility after submitting their FAFSA corrections.
 - The only remaining barrier to real-time processing of eligibility requests resulting from a corrected FAFSA is the fact that NSLDS cannot provide real-time information. Today NSLDS submits daily batch files to CPS. CPS would need to be modified to accept real-time data feeds instead of only batched feeds.
 - Approximately 2.6 FAFSA corrections applications are generated per student/borrower.

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8. In response to the concept of the Clearinghouse being used to provide all enrollment history, the following comments were made:
 - The Application Processing team would be happy to eliminate the SSCR functionality of EDEExpress.
 - It is important that the SSCR process not change in the middle of an award year.
 - If changes to the SSCR process occur, it is important to communicate these changes to the Application Processing team. This will assist the team in identifying the needed updates to the enrollment tracking module in EDEExpress.
9. In response to the 799 Data Feed Re-engineering concept, the following comments were made:
 - Lenders and servicers currently have the option to submit their loan details to the GA's more frequently than quarterly. The majority of the lenders and servicers continue to report quarterly.
 - Lenders and servicers might not have the information any sooner than quarterly to submit to the GA's; they need time to complete their duties.
 - As soon as there is a change in the loan at the lender/servicer level, the loan data is no longer consistent with the data housed at the GA and in NSLDS.
 - If an integrator were used to collect data feeds from the lenders/servicers and from the GA's, it will be important to determine if the GA's need to make any changes to the data before it reaches NSLDS. CPS does not want to release an ISIR with potentially alarming information before it has received all the facts from NSLDS, which is contingent on getting all the information from the lenders/servicers and from the GA's.
10. The business rules of CPS are reviewed annually in February/March. The specifications of the system changes are finalized by the end of April. Any changes to CPS are introduced to schools and students on 01/01 of a calendar year and should remain in effect until 09/01 of the following year.
11. When creating a business case, be sure to consider the impacts on other systems such as interface or process changes. In particular for the Application Processing team, potential increases to the number of registrations and usage volume of the PIN site should be considered.

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CIO
FSA NSLDS Team

Attendees:

Sandra Fowler – FSA
Valerie Sherrer – FSA
Barbara Cobbs – FSA
Susan Morgan – FSA
Lynn Alexander – FSA
Shenel Perkins – FSA
Sue Barnette – FSA
Pam Eliadis – FSA

Harry Feely - FSA
Mike Fillinich - FSA
John Zolldan – Accenture
Nate Brown – Accenture
Shyam Pai - Accenture

Date: 4/03/02

Time: 9:30 AM

Key Points:

1. External (to FSA) suppliers of data to NSLDS have heard varying levels of information regarding NSLDS II Reengineering. These data providers have posed questions to the existing NSLDS staff, who have also received varying levels of information about the project. In order for this effort to succeed, improved and consistent communication is important.
2. Point of Clarification - when the topic of financial integrity is discussed in terms of NSLDS II Reengineering, it is in reference to FSA organization-wide financial integrity (audits, payment reasonability), not NSLDS or the NSLDS project financial integrity.
3. Currently, regardless of the day on which an update is “posted” to NSLDS, FSA-maintained data loaded into NSLDS is effective-dated.
4. Use of the Common Account Maintenance (CAM) standard is dependent on its adoption by the financial community, GAs, lenders and servicers. While Guaranty Agencies may want to move toward the adoption of this standard, ultimately the Lenders and Servicers must adopt this standard in order for the GA to effectively use it and vice versa.
5. The FSA NSLDS team is encouraged by discussion of NSLDS II Reengineering and is eager to help make NSLDS better. It is perceived that, over recent years since the first publication of the Modernization Blueprint, the uncertain future of NSLDS has made it difficult to drive change and improvement on the part of data providers. The fact that an NSLDS system is part of the modernized future of FSA, and that this will be communicated to the financial aid community, should provide incentive and leverage to drive better data quality and better collaboration from these providers.

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Additional Notes:

1. NSLDS operations (\$16 Million in FY 2002) represents 2.5% of FSA's total IT operations budget.
2. Regarding the implementation timelines (design by June 30, 2002, implementation by September 30, 2003), there is concern that described reengineering effort is too large for that short of development window. In response to this concern the following items were discussed:
 - The scope of the effort is still changing and has not yet reached its final state.
 - Discussions with FSA and FP Channel leadership are ongoing to better define the scope and phasing of changes regarding the FP Data Feed Reengineering component of the effort. Improvement, particularly with respect to timeliness, of FFEL data feeds to NSLDS is very important to improving the usefulness of NSLDS. However, in order to be accepted by the community, and to be successful, these improvements must be phased in over time. These data feed improvements will likely stretch beyond end of fiscal year 2003.
 - Rather than a single team focusing on all the NSLDS II Reengineering components concurrently, the components will be delivered in releases over the next 17 months.
3. There was a brief discussion regarding the reengineering of FSA systems within the Modernization Program. The attached picture summarizes this discussion.
4. In reference to replatforming NSLDS (Option A – Enterprise Data Warehouse; Option B - No Enterprise Warehouse, just multiple Data Marts), the following feedback was provided:
 - The two key drivers for replatforming NSLDS are:
 - Improving the flexibility of the data for better use by the user
 - Reducing the overall operations cost of the system
 - When replatforming and reorganizing the data / database, consider that redundancy (across multiple systems) of data is sometimes necessary to achieve the functionality of each system.
 - Option A provides a great deal of flexibility and enables opportunities for enterprise-wide solutions in addition to enhancement / refinement of (existing and new) specialized data marts to better service specific users of these marts. Refining and enhancing may enable NSLDS to “offload” some of its traditional functions so that they are better serviced by these marts.
 - Option B moves the matching and cross program consolidation logic out of NSLDS and into a tool that is separate from the data and database. This change may not be the most efficient use of technology to achieve a better NSLDS.

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5. In reference to the Direct Access for FSA-maintained aid process (Option A – “Push” method where each FSA system pushes data: 1) with the same effective date and 2) more frequently, to NSLDS; Option B – “Fetch” method where, for certain functions such as eligibility, each FSA system accepts a “fetch” query regarding its FSA-maintained data) the following feedback was provided:
 - The two key drivers for replatforming NSLDS are:
 - Improve the timeliness of FSA-maintained data within NSLDS
 - Standardize the timing of updates from FSA-maintained systems (whether daily or monthly, but as of the same date)
 - Currently, regardless of the day on which an update is “posted” to NSLDS, FSA data loaded into NSLDS is effective-dated.
 - Option A is very similar to the present data feed structure, with the incorporation of the EAI Bus.
 - Option B introduces the same challenge as option B of the warehouse alternatives. Matching / assembling data from multiple systems outside the data source may not be the most efficient way to service users.
6. In reference to the FP Data Feed Re-engineering, the following feedback was provided:
 - Use of the Common Account Maintenance (CAM) standard is dependent on its adoption by the Lender and Servicer community. While Guaranty Agencies may want to move toward the adoption of this standard, ultimately the Lenders and Servicers must adopt this standard in order for the GA to effectively use it.
 - Despite its usefulness in all transactional communication between aid entities, the interest in the adoption of CAM is closely tied to its usefulness in quickly and accurately reporting claim information. In fact, those lenders implementing CAM are performing the implementation of claim related CAM transactions first.
 - Use of a Data Integrator may be more attractive to GAs if the Integrator is a government entity (ED / FSA run entity) rather than a business run by one of its fellow GAs or group of GAs.
7. Throughout the next phase of requirements refinement and design the team should engage school financial aid offices as key users and providers of input regarding NSLDS II.
8. Proposals regarding the expanded use of the Clearinghouse for FSA’s enrollment tracking are not receiving as much attention or emphasis at this point in the design process as other aspects of NSLDS II.

NSLDS II System Requirements – Draft

Illustration of the reengineering of FSA systems within the Modernization Program:

